



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-068]

Forged Steel Fittings from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review; 2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) is conducting an administrative review of the countervailing duty (CVD) order on forged steel fittings from the People's Republic of China (China) for the period of review January 1, 2019, through December 31, 2019. Commerce preliminarily determines that countervailable subsidies are being provided to Both-Well (Taizhou) Steel Fittings, Co., Ltd. (Both-Well), the sole producer/exporter of forged steel fittings from China subject to this review.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Janaé Martin or William Horn, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0238 or (202) 482-4868, respectively.

SUPPLEMENTARY INFORMATION:

Background

On January 6, 2021, Commerce published the notice of initiation of an administrative review of the CVD order on forged steel fittings from China.¹ On July 13, 2021, Commerce extended the time period for issuing the preliminary results of this review by 120 days.²

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 511 (January 6, 2021).

² See Memorandum, "Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review," dated July 13, 2021.

Accordingly, the deadline for the preliminary results in this administrative review was postponed to November 30, 2021.³

For a complete description of the events that followed the initiation of this administrative review, *see* the Preliminary Decision Memorandum.⁴ A list of topics discussed in the Preliminary Decision Memorandum is included as an appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly <https://access.trade.gov/public/FRNoticesListLayout.aspx/>.

Scope of the Order

The merchandise covered by the order is forged steel fittings. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a government financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁵ For a full description of the methodology underlying our preliminary conclusions, *see* the accompanying Preliminary Decision Memorandum.

As explained in the Preliminary Decision Memorandum, Commerce relied on adverse facts available because the Government of China did not act to the best of its ability in responding to Commerce's requests for information, and consequently, we have drawn an

³ *Id.* at 2.

⁴ *See* Memorandum, "Decision Memorandum for the Preliminary Results: Administrative Review of the Countervailing Duty Order on Forged Steel Fittings from the People's Republic of China; 2019," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁵ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

adverse inference, where appropriate, in selecting from among the facts otherwise available.⁶

For further information, *see* “Use of Facts Otherwise Available and Adverse Inferences” in the Preliminary Decision Memorandum.

Preliminary Results of Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a countervailable subsidy rate for Both-Well, the sole mandatory respondent in this review. We preliminarily determine that the following subsidy rate exists for Both-Well:

Company	Subsidy Rate (percent)
Both-Well (Taizhou) Steel Fittings, Co., Ltd.	13.39

Assessment Rate

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily assigned a subsidy rate in the amount shown above for the producer/exporter shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. Commerce intends to issue instructions directly to CBP no earlier than 35 days after publication of the final results of this review in the *Federal Register*.

Cash Deposit Rate

Pursuant to section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount indicated for Both-Well with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the

⁶ *See* sections 776(a) and (b) of the Act.

company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

Verification

Commerce intends to verify the non-use information for the Export Buyer's Credit Program in making its final determination in this administrative review. Normally, Commerce verifies information using standard procedures, including an on-site examination of original accounting, financial, and sales documentation. However, due to current travel restrictions in response to the global COVID-19 pandemic, Commerce is unable to conduct on-site verification in this investigation. Accordingly, we intend to verify the information relied upon in making the final determination through alternative means in lieu of an on-site verification.

Disclosure and Public Comment

We will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.⁷ Interested parties will be notified of the timeline for the submission of case briefs at a later date. Rebuttal briefs, limited to issues raised in these case briefs, may be submitted no later than seven days after the deadline date for case briefs.⁸ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁹

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance using Enforcement and Compliance's ACCESS system.¹⁰ Requests should contain the party's name, address, and telephone number,

⁷ See 19 CFR 224(b).

⁸ See 19 CFR 351.309; *see also* 19 CFR 351.303 (for general filing requirements); and *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006, 17007 (March 26, 2020).

⁹ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

¹⁰ See 19 CFR 351.310(c).

the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce will inform parties of the scheduled date of the hearing which will be held at a time and date to be determined.¹¹ Issues addressed during the hearing will be limited to those raised in the briefs.¹² Parties should confirm the date and time of the hearing two days before the scheduled date.

Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5 p.m. Eastern Time on the due date. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹³

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, within 120 days after publication of these preliminary results.

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Dated: November 30, 2021.

Ryan Majerus,
*Deputy Assistant Secretary
for Policy and Negotiations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.*

¹¹ See 19 CFR 351.310.

¹² See 19 CFR 351.310(c).

¹³ See 19 CFR 351.309; *see also* 19 CFR 351.303 (for general filing requirements); *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19*, 85 FR 17006 (March 26, 2020); and *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
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- III. Scope of the Order
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